

The Director of Central Intelligence

Washington, D.C. 20505

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The Honorable Lee H. Hamilton, Chairman
Permanent Select Committee on Intelligence
U.S. House of Representatives
Washington, D.C. 20515

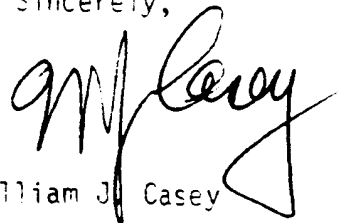
Dear Mr. Chairman:

This is in response to questions posed in your classified report (BYE 1744-86/1) on the FY 1987 NFIP budget regarding financial vulnerability awareness. The enclosure provides a compendium of views and comments prepared by the Interagency Group/Countermeasures (Policy) in coordination with security officials of Intelligence Community organizations.

With respect to the question of financial vulnerability awareness, the complexity of human motivations and behavior make our task of assessment and prediction difficult. Research programs are in being which show promise to increase our knowledge of factors motivating those who betray our trust.

Both the Stilwell Commission Report (1985) and NSDD-84 called for extensive interagency review of personnel security policies and practices and recommended expanding the investigative scope in cases calling for access to Secret information. Periodic reinvestigations were also recommended for those with Secret clearances. These expanded investigative parameters would, for the first time, include credit reports on all persons considered for access to Secret level material. I view this as a major improvement directly responsive to your concerns about financial vulnerability.

Sincerely,



William J. Casey

Enclosure